

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 445-7046



August 19, 1982

ALL-COUNTY LETTER NO. 82-81

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY AUDITORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY ADMINISTRATIVE SERVICES OFFICERS

SUBJECTS: CLAIMING PROCEDURES AND SHARING RATIOS FOR REPAYMENTS
REPEAL OF WELFARE AND INSTITUTIONS CODE SECTION 11459

The purpose of this letter is to provide:

1. Claiming instructions for repayments and abatements for AFDC pursuant to recent federal and state changes under the Federal Omnibus Budget Reconciliation Act of 1981;
2. Sharing ratios for repayments for Fiscal Year 1982/83; and
3. Information on the deletion of Welfare and Institutions Code (W & I) Section 11459.

REPAYMENTS/ABATEMENTS

As you are aware, the current overpayment regulations have eliminated previous time limitations on the period the grant of a presently AFDC eligible individual or family may be reduced to recover an overpayment. (See MPP Sections 44-350 through 44-352.) As a result, the current definitions of abatements and repayments as outlined in Fiscal Handbook Sections 25-410 and 25-430 are no longer appropriate.

Effective July 1, 1982, an abatement is defined as any cash payment (other than child support) received from or in behalf of an individual or family during a month (or alternate pay period) that the individual or family is in receipt of AFDC. For abatement reporting purposes, an individual or family is considered in receipt of AFDC if the grant has been reduced to zero because of a previous overpayment, or if there has been no payment of AFDC because the amount the assistance unit would receive is less than \$10.00.

A repayment is defined as the recoupment of an overpayment from or in behalf of a former recipient of AFDC.

SHARING RATIOS FOR REPAYMENTS

Effective July 1, 1982, the repayment sharing ratios for AFDC-FG/U, Federal AFDC-FC, and Non federal AFDC-FC will be as follows:

	<u>Federal</u>	<u>State</u>	<u>County</u>
AFDC-FG/U	50%	43%	7%
AFDC Federal FC	50%	38%	12%
AFDC Non-Federal FC		77%	23%

The above ratios are based on a five-year moving average of AFDC-FG/U and AFDC-FC expenditures for the calendar years 1977 through 1981.

Recoveries reported for OAS, AB and ATD will continue to be shared on the basis of the five-year moving average prior to SSI/SSP conversion: 48 percent federal, 37 percent state, and 15 percent county.

REPEAL OF W & I CODE 11458

SB 1326 (Chapter 327, Statutes of 1982) has repealed W & I Code, Section 11459. Therefore, effective July 1, 1982, funding will no longer be available for claims submitted on form DFA 800 (Summary Report of Costs of AFDC-FG/U and Federal AFDC Foster Care Collections). However, this change does not modify the existing reimbursement and claiming procedures for these costs of collections through the County Welfare Department Quarterly Administrative Expense Claim.

If you have any questions concerning these claiming instructions, please contact Betts Smith at (916) 445-7046.

James H. Gomez
 JAMES H. GOMEZ
 Deputy Director
 Administration

cc: CWDA